



General Assembly

January Session, 2005

Amendment

LCO No. 7996

SB0115107996HDO

Offered by:
REP. MAZUREK, 80th Dist.

To: Subst. Senate Bill No. 1151 File No. 313 Cal. No. 640

**"AN ACT REDUCING THE SULFUR CONTENT OF HOME HEATING
OIL AND OFF-ROAD DIESEL FUEL."**

1 After the last section, add the following and renumber sections and
2 internal references accordingly:

3 "Sec. 501. Section 42-133mm of the general statutes is repealed and
4 the following is substituted in lieu thereof (*Effective October 1, 2005*):

5 (a) When a franchisor intends to sell, transfer or assign to another
6 person the franchisor's interest in a single marketing premises that is
7 not part of two or more marketing premises marketed as a package to
8 sell, transfer or assign more than a single marketing premises, that the
9 franchisee has occupied under a lease, sublease or other grant of
10 authority to occupy such premises, such franchisor shall first: (1) Make
11 a bona fide offer to sell, transfer or assign to the franchisee such
12 franchisor's interests in such single marketing premises; or (2) if
13 applicable, offer the franchisee a right of first refusal of a bona fide
14 offer made by another acceptable to the franchisor, to purchase such
15 franchisor's interest in such single marketing premises. The franchisee

16 shall have forty-five days in which to accept or reject such offer made
17 under subdivision (1) or (2) of this subsection.

18 (b) When a franchisor sells, transfers or assigns the franchisor's
19 interest in two or more marketing premises marketed as a package to a
20 successor owner, any change in the terms and conditions of the
21 franchise agreement in effect at the time of the sale, transfer or
22 assignment shall be by mutual agreement of the franchisee and the
23 successor owner. Such successor owner shall, at the expiration of the
24 franchise agreement in effect at the time of the sale, transfer or
25 assignment renew the franchise agreement of each franchisee for the
26 same number of years as the agreement in effect at the time of the sale,
27 transfer or assignment, provided such renewal shall not [exceed five
28 years] be less than five years and in the event such franchise
29 agreement, or any renewal thereof, requires capital expenditures of
30 two hundred thousand dollars or more by such franchisee, not less
31 than seven years. Any changes to the franchise agreement shall be
32 submitted in good faith by the successor owner and negotiated in good
33 faith by the successor owner and franchisee. The successor owner shall
34 not require the franchisee to do the following: (1) Take part in
35 promotional campaigns of the successor owner's products; (2) meet
36 sales quotas; (3) sell any product at a price suggested by the successor
37 owner or supplier; (4) keep the premises open and operating during
38 hours which are documented by the franchisee to be unprofitable to
39 the franchisee or during the hours after 10 p.m. and prior to 6 a.m.; or
40 (5) disclose to the successor owner or supplier financial records of the
41 operation of the franchise which are not related or necessary to the
42 franchisee's obligations under the franchise agreement. Nothing in this
43 subsection shall affect the successor owner's ability to terminate, cancel
44 or fail to renew a franchise agreement for good cause shown.

45 (c) If such successor owner intends to sell, transfer or assign to
46 another person such successor owner's interest in the marketing
47 premises that the franchisee has occupied under a lease, sublease or
48 other grant of authority to occupy such premises, the new owner shall
49 first (1) make a bona fide offer to sell, transfer or assign to the

50 franchisee such successor owner's interest in the marketing premises;
51 or (2) if applicable, offer the franchisee a right of first refusal of a bona
52 fide offer made by another acceptable to the successor, to purchase
53 such successor owner's interest in such marketing premises. The
54 franchisee shall have forty-five days in which to accept or reject such
55 offer made under subdivision (1) or (2) of this subsection.

56 (d) For the purposes of this section, "marketing premises" means
57 premises which, under a franchise agreement, are to be employed by a
58 franchisee in connection with the sale, consignment or distribution of
59 motor fuel.

60 (e) The provisions of this section shall apply to any franchise
61 agreement in effect on or after July 1, 2000."